



COMMISSION NEWS

ARIZONA CORPORATION COMMISSION, 1200 W. WASHINGTON, PHOENIX, AZ 85007

TO: EDITORS, NEWS DIRECTORS
FOR: IMMEDIATE RELEASE

DATE: August 30, 2001
CONTACT: Heather Murphy (602) 542-0844

IT'S LIGHTS OUT IN BOILER ROOM TEMPE TELEMARKETING FIRM ORDERED TO STOP SELLING SECURITIES

PHOENIX – The Securities Division of the Arizona Corporation Commission issued a temporary Cease and Desist Order against Republic Cash Advance, Inc. and Quick Cash Advance, Inc. Also named are Curtis J. Billups, 73, of Maricopa, Arizona, and Mark Ferguson whose age and residence are unknown at this time. The Commission is ordering them to immediately cease all activities associated with the offer and sale of unregistered securities and the commission of securities fraud.

The temporary cease and desist order alleges that Republic Cash Advance and Quick Cash Advance, operating out of the same offices in Tempe, have been recruiting a group of mostly college-age telemarketers to offer and sell investments in promissory notes to a pool of prospective investors throughout the United States. In its order, the Division charges that Republic and Quick Cash, through the direction of Billups and Ferguson, intended to raise approximately \$2.5 million to \$3 million from the “boiler room” style telemarketing project before folding up their Tempe sales operations. Republic and Quick Cash, along with Curtis J. Billups, acting president for both companies, and Mark Ferguson, project manager for the Tempe operation, are not registered to offer or sell securities in this state. Additionally, the investments are not registered with the Securities Division as required by the state securities laws.

The Division also alleges that the individuals involved fraudulently misrepresented or failed to disclose important information to investors by falsely claiming that their investments were registered or were exempt from state and federal requirements. In a further breach of securities laws, the Division alleges that prospective investors were never informed that Republic, Quick Cash and Billups had been

the subject of several previous prohibition orders involving the illicit sale of securities in other states.

The Securities Division is seeking a permanent cease and desist order against Republic, Quick Cash, Billups and Ferguson, along with payment of administrative penalties and restitution to all identified investors. Each of the respondents can request a hearing to contest the allegations. If they fail to request a hearing, the Securities Division may pursue a default judgement against them.

In a “Boiler Room” telephone fraud operation, telemarketers often push dubious securities products to unsuspecting investors. “Boiler rooms have been in existence for many years and continue to spring up in almost any location where multiple phone lines can be installed,” warns Mark Sendrow, Director of the Securities Division. “When receiving a call from a stranger about an investment opportunity, you should just hang up. If you still decide to consider the pitch, at least verify the registration status of both the sellers and the security that the callers are offering for sale. We encourage investors to check out the disciplinary history of the company and the company’s officers and directors. At all times investors should absolutely refuse to be rushed into an investment decision.”

Investors can obtain registration and licensure information by contacting the Arizona Corporation Commission’s Securities Division at 602-542-4242, toll free at 1-877-811-3878, or through its website at www.ccsd.cc.state.az.us.

###